

INVESTMENT
DIVISION

FEB 28 1952

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ANNUAL REPORT
OF
THE C. O. BARTLETT & SNOW COMPANY

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Fiscal Year Ending December 31, 1951

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CLEVELAND, OHIO
U. S. A.

THE C.O. BARTLETT & SNOW COMPANY

DESIGNERS AND BUILDERS OF
MATERIAL HANDLING AND PROCESSING EQUIPMENT

6200 HARVARD AVENUE
CLEVELAND 5, OHIO, U.S.A.

Your directors present herewith Balance Sheet of the Company for the Year Ending December 31, 1951, certified by your Auditors, Scloway & von Rosen. Also included is Comparative Data of the past five years of operation.

Earnings for the year before deducting Income Tax		\$454,675.07
Estimated Income Tax		<u>224,000.00</u>
Income from Plant Operations	\$184,783.52	
" " Other Sources	<u>45,891.55</u>	
Net Income for Year's Operations		230,675.07

out of which there were paid the following dividends:

Five per cent on the Preferred	5,170.00	
Three dollars per share on Common	<u>44,976.00</u>	50,146.00
and there was added to Earned Surplus a balance of .		<u>\$180,529.07</u>
Less Additions to Plant & Other Non-Current Assets		137,937.93
Added to Working Capital		<u>\$ 42,591.14</u>

We had expected greater Gross and Net Earnings than the audited report shows. Reviewing and applying percentages of sales billed, some costs appear higher than expected compared with 1950 or average for five years preceding 1951.

Selling and Administrative Expenses increased substantially over 1950, although the percentage for 1951 was 11.9% compared with 18.6% for 1950, and averaged for 1946 to 1950, inclusive, 16.1%.

Comparing manufacturing cost of all materials, supplies, services, labor and expense necessary to make the Company's products available for sale, the percentage of sales in 1951 shows 80.3%; 1950, 74.7%; and for the five years preceding 1951, averaged 73.9%. The increase above the previous five-year average, namely, 6.4%, shows over \$300,000.00 increase in manufacturing costs, and 5.6% or over \$250,000.00 above 1950.

The difference may seem almost inexplicable, especially when noting Billed Sales in 1951 were almost 100% greater than in 1950. Nevertheless, we anticipated costs for materials and labor would be higher than for the preceding year, and a contingency thought sufficient was added to our selling prices to return any extra out-of-pocket expense, but it evidently was not adequate.

The Profit Improvement Committee, which prepares the bases for budgeting expenses, will have the statement available for further analysis, to judge of extraneous items, if any, which should be brought to our attention for future operations.

Billed Sales	1951 were	\$4,914,042.00	-	1950,	\$2,532,468.00
Booked Sales	1951	" 4,587,000.00	-	1950,	5,017,000.00
Backlog Orders	1951	" 2,978,000.00	-	1950,	3,363,000.00

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Weight of Shipments from Plant	Direct Hours Expended in Departments		
	Engineering	Shop	Erecting
1951 6,849,849 Lbs.	66,729	266,612	49,793
1950 4,396,011 "	58,124	168,403	29,872
1949 4,011,108 "	48,045	149,730	37,011
1948 6,027,085 "	49,673	191,504	47,543

Looking onward and realizing that our opportunity for booking sales is closely tied into the activity of our National economy, we do not find it easy to predict the future; indeed, it is doubtful if world conditions have ever been as confusing as they now are, making it more than unusually difficult to perceive what lies ahead. Nevertheless, we look forward with confidence, relying on our sales resourcefulness and ability, our good products, good service, and good human relations to bring us a fair measure of success.

Because of consumer resistance to higher prices, dangerously high break-even points, and discouraging year-end earning statements of many companies, most managements find necessary intensifying their efforts to halt the upward trend of costs and to bring about reductions.

During the year several machines were purchased and are now operating. We are fully aware that modern machines are necessary in reducing costs. However, lowering of costs in a business such as ours can best be obtained by having experienced supervisors in each department continuously prosecuting their supervisory responsibilities and ably instructing others how work should be done. This is particularly true, as most of our products are not made in quantities, and seldom duplicated.

An addition to our buildings added about 9,000 square feet of floor space, which is used for making standard products, such as belt conveyor idlers, bearings, bar-type chains and rollers, corn shellers, forage blowers, etc., and for storing supplies. Operations are now better coordinated, permitting progressive manufacturing and closer supervision.

One of the principal reasons for the new building and re-locating of machinery was to make available approximately 60 feet more effective length in the eastern bay of the structural shop for fitting-up and fabricating operations. It was thought that by re-locating some of the larger machinery units such as the large brake and plate roll into the western structural bay, the new addition would prove less costly than an extension built onto one of the high bays.

It is necessary that we have more space in the eastern bay to make possible advantageous and expeditious fabricating of larger and longer units, such as dryers, calciners, kilns and coolers which we frequently manufacture.

Walls, ceilings and machinery were re-painted at the time of re-locating and installing the equipment referred to above, but this was not done without a curtailment of production and billing.

With the above improved manufacturing facilities, together with more orderly handling and storing of materials and supplies by industrial trucking and placing materials to be processed closer to operations and thereafter into containers nearby, we are hopeful losses occasioned by the change-over will be quickly offset and further benefits continued.

Consideration is being given to building further plant facilities and additional office space, all or part of which may be completed in 1952, and for which we hope funds will be available from plant operation earnings.

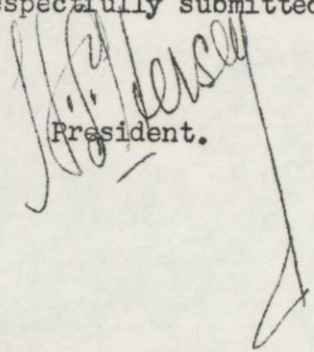
Recently we purchased all rights to a hay and forage blower, copyrighted by the name "Hayclone". Forage blowers are used to blow long hay into barns or cut forage into silos. Sales will be under the direction of our Corn Sheller Division.

We have opened a sales office in Pittsburgh, Pa., and thought is being given to others at strategic locations.

On December 4, 1951, there occurred the death of Walter S. Lister, who served as an officer of your Company in many major functional capacities, including that of President and Treasurer for a continuous period of twenty years, and from 1942 and until retirement in 1945, was Chairman of the Board. Mr. Lister was responsible for initiating many significant projects and undertakings, the outcome of which immeasurably contributed to enhance the Company's assets. His was a worthy and real contribution, always carefully and prudently planned.

Our business was built on developing sales and engineering ideas as how to do things simply, with a minimum of substantial equipment having low maintenance cost, and its expansion is dependent on a continuous flow of new and better ideas. Your Management will particularly appreciate receiving suggestions or constructive criticism which stockholders or employees may offer for the good of the Company.

Respectfully submitted,


President.

February 25, 1952.

THE C. O. BARTLETT AND SNOW COMPANY

BALANCE SHEET AS AT DECEMBER 31, 1951

ASSETS

Current:

Cash		\$ 181,336.01
Temporary Cash Investments & Accrued Interest		98,784.19
Accounts Receivable - Customers	\$ 807,121.75	
Less Allowance for Doubtful Accounts	<u>3,500.00</u>	803,621.75
Inventories:		
Raw Materials - At Plant & in Transit	379,592.43	
Contracts in Process	272,693.73	
Finished Goods	<u>139,527.98</u>	791,814.14
Total Current Assets		<u>1,875,556.09</u>

Other:

Accounts Receivable and Advances -		
Miscellaneous	4,440.97	
Expense Orders in Process	<u>275.76</u>	4,716.73

Cobwell Reduction Company, Inc. - 51% Owned

Capital Stock - Common - At Cost		510.00
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Permanent:

Land	78,376.14	
Plant and Equipment - as Appraised -		
For Depreciated Cost	1,181,473.17	
Patents and Drawings	<u>1.00</u>	1,259,850.31

Deferred:

Deposits on Drawings and Specifications		
on Bids	10,814.81	
Hayclone Non-Competition Agreement	3,636.88	
Insurance Deposit - Protection Mutual		
Fire Insurance Company - Less Note		
Secured Thereby	2,457.11	
Other Unexpired General Insurance	2,388.18	
Industrial Insurance Deposit	2,534.00	
Air Travel Card Deposit	425.00	
Prepaid Interest	<u>177.13</u>	<u>22,433.11</u>

TOTAL ASSETS

\$3,163,066.24

THE C. O. BARTLETT AND SNOW COMPANY

BALANCE SHEET AS AT DECEMBER 31, 1951

LIABILITIES AND NET WORTH

Current Liabilities:

Accounts Payable - Trade	\$ 345,199.74
Estimated 1951 Federal Taxes on Income	224,000.00
Customers' Credit Balances	57,894.60
Taxes - Other than Federal Taxes on Income	
Accrued and Payable	43,664.06
Accrued Payroll	38,199.80
Provision for Further Costs on Contracts	20,700.00
Accounts Payable - Miscellaneous	13,025.22
Ohio Industrial Insurance Accrued	3,025.45
Total Current Liabilities	<u>745,708.87</u>

Capital:

Capital Stock - 5% Preferred - \$100.00 Par Value	
Authorized - 1,680 Shares	
Issued - 1,034 Shares	\$ 103,400.00
Capital Stock - Common - No Par	
Declared Value - \$10.00 Per Share	
Authorized - 20,000 Shares	
Issued - 14,992 Shares	<u>149,920.00</u>
	<u>253,320.00</u>

Surplus:

Surplus from Appraisal	
Land	\$ 30,866.00
Plant and Equipment	792,858.59
Patents and Drawings	1.00
	<u>823,725.59</u>
Paid-in Surplus	111,805.68
Earned Surplus	<u>1,170,647.49</u>
Surplus Reserves:	2,106,178.76
For Improvement to Plant Facilities	45,000.00
For Modernizing Standard	
Products and Catalogs	12,858.61
	57,858.61
	<u>2,417,357.37</u>

TOTAL LIABILITIES AND CAPITAL

\$3,163,066.24

CONDENSED SUMMARY OF INCOME

	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>1951</u>
Charges to Customers for Equipment Sold & Services Rendered	<u>\$3,297,495.16</u>	<u>3,262,200.09</u>	<u>2,323,549.71</u>	<u>2,532,468.49</u>	<u>4,914,041.96</u>
Cost of All Materials, Supplies, Services, Labor & Expenses Necessary to Make the Company's Products Available for Sale	2,527,914.65	2,377,721.45	1,657,732.97	1,891,998.95	3,943,895.33
Cost of Services, Supplies, Labor & Expenses Necessary to Engineer the Company's Products and to Induce the Customers to Buy	339,175.81	307,714.79	297,696.57	308,966.90	356,957.01
Costs of General Administration	<u>118,690.44</u>	<u>142,083.15</u>	<u>156,273.78</u>	<u>161,888.77</u>	<u>228,622.60</u>
Total Plant, Engineering and Administrative Costs	<u>2,985,780.90</u>	<u>2,827,519.39</u>	<u>2,111,703.32</u>	<u>2,362,854.62</u>	<u>4,529,474.94</u>
Net Earnings from Operations - Before Federal Income Taxes	311,714.26	434,680.70	211,846.39	169,613.87	384,567.02
Estimated Federal Income Taxes	<u>118,877.28</u>	<u>165,604.57</u>	<u>80,927.53</u>	<u>83,201.00</u>	<u>199,783.50</u>
Net Earnings from PLANT Operations	<u>192,836.98</u>	<u>269,076.13</u>	<u>130,918.86</u>	<u>86,412.87</u>	<u>184,783.52</u>
Income from Sources Other than Plant Operations	42,652.27	66,749.45	34,351.41	66,661.58	70,108.05
Estimated Federal Income Taxes on this Income	<u>9,583.67</u>	<u>12,141.54</u>	<u>10,857.17</u>	<u>11,611.56</u>	<u>24,216.50</u>
Net Other Earned Income	<u>33,068.60</u>	<u>54,607.91</u>	<u>23,494.24</u>	<u>55,050.02</u>	<u>45,891.55</u>
<u>TOTAL NET INCOME</u>	<u>225,905.58</u>	<u>323,684.04</u>	<u>154,413.10</u>	<u>141,462.89</u>	<u>230,675.07</u>

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THE C.O. BARTLETT & SNOW COMPANY

DESIGNERS AND BUILDERS OF
MATERIAL HANDLING AND PROCESSING EQUIPMENT

6200 HARVARD AVENUE
CLEVELAND 5, OHIO. U.S.A.

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INVESTMENT
DIVISION

JAN 21 1952

January 18, 1952.

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS.

To the Shareholders of
The C. O. Bartlett & Snow Company:

*Now Sam Pacific Inc.
Bartlett
Bangor & Brookline Corp.*

Notice hereby is given that the Annual Meeting of the Shareholders of The C. O. Bartlett & Snow Company will be held at the office of the Company, 6200 Harvard Avenue, Cleveland, Ohio, at 10:00 A.M. Eastern Standard Time, Monday, February 25, 1952.

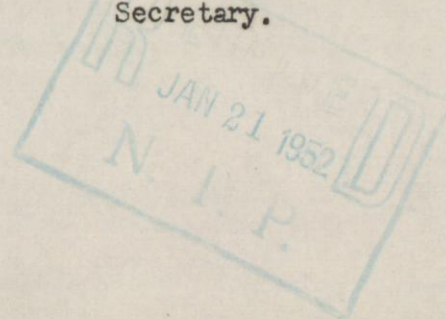
The business to come before the meeting will comprise the submission of reports as to the business for 1951, including a financial statement at the close thereof; the election of a Board of Directors for the ensuing year, and such other matters relating to the Company's affairs as may be proper.

While it is the hope that all stockholders will attend the meeting in person, we nevertheless are desirous of having all outstanding stock represented, and to this end we are enclosing a proxy which we ask be signed and mailed to the Company in the enclosed envelope, by those shareholders who may be uncertain of their ability to be present. Such proxies will not be used in any case where the shareholder is present in person.

Yours very truly,

THE C. O. BARTLETT & SNOW COMPANY

Benjamin A Smith
Secretary.



THE C. O. BARTLETT & SNOW COMPANY

PROXY

The undersigned shareholder of The C. O. Bartlett & Snow Company hereby constitutes and appoints _____ or in his absence H. S. Hersey, C. J. Neville and B. A. Smith, or any one or more of them, the true and lawful attorneys and proxies of the undersigned, with full power of substitution and revocation, for and in the name, place and stead of the undersigned to attend a regular meeting of the shareholders of said corporation, to be held at its principal office in the City of Cleveland, Ohio, on Monday, February 25, 1952, at 10:00 A.M. Eastern Standard Time, and any adjournments thereof, and thereat to vote all stock of said corporation standing in the name of the undersigned.

In the presence of

Dated _____, 1952.

Note: When signing as attorney, executor, administrator, trustee or guardian, please give your full title as such. A proxy given by a corporation should be signed by its president, vice president or secretary and the corporate title indicated.

